

STATE OF INDIANA )  
 )  
COUNTY OF LAKE )

SS:

IN THE LAKE CIRCUIT COURT  
CAUSE NO. 45C01-0711-PL-00301

STATE OF INDIANA,  
Plaintiff,

v.

VACATION RESORT MANAGEMENT  
INC., HARBOR MANAGEMENT OF  
COLORADO LLC, HARBOR  
MANAGEMENT CORPORATION,  
MADELINE ALLERTON, DAVID  
HADDAD, LISA JANTELEZIO, and  
ELIZABETH VALENTE,

Defendants.

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MADELINE ALLERTON and  
ELIZABETH VALENTE,

Cross-claim Plaintiffs,

viii.

HARBOR MANAGEMENT OF  
OF COLORADO, LLC,  
HARBOR MANAGEMENT  
CORPORATION, DAVID HADDAD,  
LISA JANTELEZIO, and VACATION  
RESORT MANAGEMENT, INC.

Cross-Claim Defendants.

**Filed in Open Court**

MAR 19 2009

*Thomas R. Philpot*  
CLERK LAKE CIRCUIT COURT

**RECEIVED**

MAR 19 2009

*Thomas R. Philpot*  
CLERK LAKE CIRCUIT COURT

**DEFAULT JUDGMENT AGAINST VACATION RESORT MANAGEMENT,  
INC.**

The Plaintiff, State of Indiana, having filed its Motion for Default Judgment, and  
the Court having read the same and being duly advised in the premises, now finds:

1. The Court has subject matter jurisdiction and personal jurisdiction over the Defendant, Vacation Resort Management, Inc.

2. The Defendant was served with notice of these proceedings and a copy of the Second Amended Complaint for Injunction, Restitution, Costs, and Civil Penalties.

3. The Defendant has failed to appear, plead, or otherwise respond to the amended complaint.

4. The Defendant is not an infant, incompetent, or in military service.

**THEREFORE, IT IS ORDERED, ADJUDGED AND DECREED** that the Motion for Default Judgment is **GRANTED** in favor of the Plaintiff, State of Indiana, and against the Defendant, Vacation Resort Management, Inc.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that pursuant to Indiana Code § 24-5-0.5-4(c)(1), the Defendant, Vacation Resort Management, Inc., *also known as* Vacation Resort Management, Vacation Resorts Management, VRM, Star Vacation Club and Star Travel Club, its agents, representatives, employees, successors and assigns, is permanently enjoined from engaging in the following:

- a. representing, expressly or by implication, the subject of a consumer transaction has sponsorship, approval, characteristics, accessories, uses, or benefits it does not have, which Defendant knows or reasonably should know it does not have;
- b. representing, expressly or by implication, that a consumer transaction involves or does not involve a warranty, a disclaimer of warranties, or other rights, remedies, or obligations, if the representation is false and

if Defendant knows or should reasonably know that the representation is false;

- c. representing, expressly or by implication, that Defendant is able to deliver or complete the subject of a consumer transaction within a stated period or time or within a reasonable period of time, when Defendant knows or reasonably should know that the transaction cannot be so completed;
- d. in the course of conducting promotions in Indiana, failing to include all of the items required by Ind. Code §§ 24-8-2-3 through 24-8-3-8 in the promotional notice sent to consumers;
- e. in the course of conducting promotions in Indiana, failing to offer to the consumer a substitute prize pursuant to the terms of Ind. Code § 24-8-5-1(a) if the prize the consumer won is not available;
- f. in the course of conducting promotions in Indiana, failing to honor a voucher, certificate, or other evidence of obligation if the person named as being responsible fails to honor the voucher, certificate, or other evidence of obligation;
- g. acting as a seller as defined in the Indiana Telephone Solicitations Act without properly registering with the Consumer Protection Division; and
- h. acting as time share seller without properly registering with the Consumer Protection Division.

**IT IS FURTHER ORDERED, ADJUDGED, AND DECREED** that judgment is entered for the Plaintiff, State of Indiana, and against the Defendant, Vacation Resort Management, Inc., *also known as* Vacation Resort Management, Vacation Resorts Management, VRM, Star Vacation Club and Star Travel Club, as follows:

- (a). Pursuant to Ind. Code § 24-5-0.5-4(d), the contracts and/or agreements, including the purchase agreements, retail installment contracts, and/or promissory notes, between Defendant and the following consumers are voidable at the option of the consumers which include: Nikole Aponte and Josh Skalka, Arturo and Danielle Azcona, Morris and June Blackmon, Crystal Corsey, Cornell and Penny Davis, George and Theresa Drozd, Dean and Emma Efantis, Michelle Ferrell, Greg and Sharon Fodor, Edward and Lorraine Frank, Maurice Barfield, James and Martha Gedda, Ernest and Jessica McFall, Ronald Richmond, Lee Saulsberry, Brian Swisher, James Walton, James Reynolds, Mark and Teresa Rose, Darrell Draper, Steven and Shiela Kalman, Lucille Dust, James Williamson, Wendy Singleton, Anthony and Sharon Arnold, James Robertson, Mary and Larry Mabon, Paul and Ruby Tougaw, Jack and Vickie Thomas, Damali Samuels and Corwin Johnson, Todd and Lisa Mayer, William and Janet Phillippe, Howard Shelhart, and Venetia Wise and Leslie Wise-Smith;
- (b). The Defendant shall pay consumer restitution, pursuant to Ind. Code § 24-5-0.5-4(c)(2), in the amount of One Hundred Seventy Thousand Nine

Hundred and Seventy-Five Dollars (\$170,975.00), payable to the Office of the Attorney General, for allocation and distribution to the following consumers in the following amounts;

1. Nikole Aponte and Josh Skalka	\$8,000.00;
2. Arturo and Danielle Azcona	\$6,995.00;
3. Morris and June Blackmon	\$7,995.00;
4. Crystal Corsey	\$6,000.00;
5. Cornell and Penny Davis	\$2,995.00;
6. George and Theresa Drozd	\$1,595.00;
7. Dean and Emma Efantis	\$1,995.00;
8. Michelle Ferrell	\$6,995.00;
9. Greg and Sharon Fodor	\$1,395.00;
10. Edward and Lorraine Frank	\$1,595.00;
11. James and Martha Gedda	\$6,495.00;
12. Ernest and Jessica McFall	\$10,619.00;
13. Ronald Richmond	\$1,595.00;
14. Lee Saulsberry	\$5,916.00;
15. Brian Swisher	\$11,215.00;
16. James Walton	\$1,595.00;
17. James Reynolds	\$5,900.00;
18. Mark and Teresa Rose	\$8,495.00;
19. Darrell Draper	\$4,000.00;
20. Steven and Shiela Kalman	\$6,995.00;
21. Lucille Dust	\$7,295.00;
22. James Williamson	\$6,200.00;
23. Wendy Singleton	\$1,595.00;
24. Anthony and Sharon Arnold	\$6,000.00;
25. James Robertson	\$1,800.00;
26. Mary and Larry Mabon	\$5,900.00;
27. Paul and Ruby Tougaw	\$5,500.00;
28. Damali Samuels and Corwin Johnson	\$6,000.00;
29. Todd and Lisa Mayer	\$4,900.00;
30. William and Janet Phillippe	\$1,595.00;
31. Howard Shelhart	\$7,810.00; and
32. Venetia and Leslie Wise Smith	\$7,995.00;

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**TOTAL      \$170,975.00**

- (c). The Defendant shall pay the Office of the Attorney General its costs in investigating and prosecuting this action, pursuant to Ind.

Code § 24-5-0.5-4(c)(3), in the amount of Six Thousand and Seven Hundred and Fifty Dollars (\$6,750.00);

- (d). The Defendant shall pay civil penalties, pursuant to Ind. Code § 24-5-0.5-4(g), for the Defendants' knowing violations of the Deceptive Consumer Sales Act, in the amount of Sixty Four Thousand Dollars (\$64,000.00), payable to the State of Indiana; and
- (e). The Defendant shall pay civil penalties, pursuant to Ind. Code § 24-5-0.5-8, for the Defendant's intentional violations of the Deceptive Consumer Sales Act, in the amount of Six Thousand Four Hundred Dollars (\$6,400.00), payable to the State of Indiana.

**A total monetary judgment in the amount of Two Hundred Forty Eight Thousand One Hundred Twenty-Five Dollars (\$248,125.00) shall therefore be entered in favor of the Plaintiff, State of Indiana, and against the Defendant, Vacation Resort Management, Inc.**

All of which is **ORDERED, ADJUDGED, AND DECREED** this 19 day of MARCH, 2009.

DATE: 3/19/09

APPROVED

  
Judge, Lake Circuit Court

**Distribution:**

Madeline Allerton  
c/o Alan J. Irvin  
Gilday Donahoe & Irvin, P.C.

Elizabeth Valente  
c/o Alan J. Irvin  
Gilday Donahoe & Irvin, P.C.

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Indianapolis, Indiana 46204-5176

Vacation Resort Management, Inc.  
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Batavia, Illinois 60510

Harbor Management of Colorado, LLC  
c/o Todd Kaplan, Agent  
3212 Rock Creek Drive  
Broomfield, Colorado 80020

Harbor Management Corporation  
1050 East Flamingo Road  
Suite S-305  
Las Vegas, Nevada 89119

Harbor Management of Colorado, LLC  
c/o David Haddad, Manager  
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Lisa Jantelezio-Haddad  
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